



DONALD L. WOLFE, Director

COUNTY OF LOS ANGELES

DEPARTMENT OF PUBLIC WORKS

"To Enrich Lives Through Effective and Caring Service"

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May 25, 2006

IN REPLY PLEASE

REFER TO FILE: **PJ-1**

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

**WILL ROGERS STATE BEACH
GENERAL IMPROVEMENT PROJECT
AUTHORIZE CHANGE ORDER
APPROVE APPROPRIATION ADJUSTMENT
APPROVE REVISED PROJECT BUDGET
SPECS. 5364; C.P. 86471
SUPERVISORIAL DISTRICT 3
4 VOTES**

**JOINT RECOMMENDATION WITH THE CHIEF ADMINISTRATIVE OFFICER AND
THE DIRECTOR OF BEACHES AND HARBORS THAT YOUR BOARD:**

1. Approve and authorize the Director of Public Works to execute a change order for a not-to-exceed amount of \$422,000 to install a new underground natural gas service for the Will Rogers State Beach General Improvement project.
2. Approve the enclosed Appropriation Adjustment (Enclosure B) for \$367,000, offset by revenue from the Productivity Investment Fund (PIF), to fully fund the total revised project budget of \$12,016,000 for the Will Rogers State Beach General Improvement project detailed in Enclosure A.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTIONS

On November 8, 2005, your Board awarded a Construction Contract for \$8,374,300 to Gonzales Construction for the Will Rogers State Beach General Improvement project.

The project includes replacement of four restrooms, a concession building, and entry kiosk; refurbishment of five parking lots; reconstruction of the main entrance at Temescal Canyon Road and a lifeguard substation; and upgrade of the lifeguard headquarters, utilities, signage, and landscaping. Construction began in December 2005, and the project is approximately 20 percent complete.

As part of the County's commitment to energy conservation and pollution reduction, the Department of Beaches and Harbors is implementing a program to promote the use of alternative fuel sources at Will Rogers State Beach. Beaches and Harbors submitted a proposal for a PIF grant from the County's Quality and Productivity Commission and was approved for a PIF loan on November 7, 2005. The proposal includes the installation of a new underground natural gas service line that will eventually be used to provide compressed natural gas refueling stations for maintenance and lifeguard vehicles and the public. Since the proposed underground gas line will run through the parking lot areas that are currently being reconstructed, it was determined to be more practical and cost-effective to incorporate the gas line work as part of the ongoing Construction Contract. Based on plans prepared by Beaches and Harbors, Public Works has negotiated the final cost of \$422,000 with the contractor to incorporate the gas line work. A proceed order for \$150,000 has been issued for the gas line work to avoid delay impacts, the value of which is included in the recommended change order.

Implementation of Strategic Plan Goals

These actions meet the County Strategic Plan Goals of Fiscal Responsibility and Service Excellence as the proposed gas line work is an investment in public infrastructure that will provide an efficient and low-cost alternative fuel source for the facilities at Will Rogers State Beach.

FISCAL IMPACT/FINANCING

On November 8, 2005, your Board approved a total project budget of \$11,649,000, including \$1,073,955 for change orders.

The recommended change order for the gas line work is for a not-to-exceed amount of \$422,000 and will be partially funded from a \$367,000 PIF loan from the County's Quality and Productivity Commission and \$55,000 from the project change order fund.

The total project cost, including plans and specifications, plan check, construction, equipment/utility connection fees, consultant services, miscellaneous expenditures, and County services, is currently estimated at \$12,016,000, which is \$367,000 more than the \$11,649,000 previously authorized by your Board on November 5, 2005. The increase reflects the additional funding source for the recommended change order. The Project Schedule and Budget Summary are included in Enclosure A.

Approval of the enclosed appropriation adjustment will allocate an additional \$367,000, funded by the Productivity Investment Fund, in order to fully fund the project. Upon approval of the appropriation adjustment, the project will be funded by \$6,941,000 from the Safe Neighborhood Parks Propositions of 1992 and 1996, \$3,476,000 of net County cost, \$1,232,000 from the Vehicle License Fee Gap Loan Special Fund, and a \$367,000 PIF loan for a total project appropriation of \$12,016,000.

Under the terms and conditions of the PIF loan, the funds are to be drawn down in Fiscal Year (FY) 2005-06 with annual payments commencing in FY 2006-07 and continuing through FY 2011-12. The six payments of \$61,167, \$71,379, \$71,543, \$69,237, \$66,930, and \$65,776, for a total of \$406,032, will be funded from Beaches and Harbors' operating budget.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Section 20137 of the Public Contract Code allows your Board, with a four-fifths vote, to authorize a change to a Construction Contract that is less than 10 percent of the original Contract amount without having to obtain bids for the work. The maximum value of the recommended change order will be significantly below the 10 percent threshold.

The recommended change order will not impact the overall completion date for the project since the gas line work will be done concurrently with the ongoing construction.

ENVIRONMENTAL DOCUMENTATION

On July 19, 2005, your Board found the project categorically exempt from the California Environmental Quality Act. The proposed gas line work is also categorically exempt under the California Environmental Quality Act Guidelines in accordance with Article 19, Section 15303 (d), and under Class 3 of the County of Los Angeles Environmental

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Document Reporting Procedures and Guidelines adopted by your Board on November 17, 1987, since the work involves the installation of an underground natural gas line to serve existing public beach facilities.

CONTRACTING PROCESS

On November 8, 2005, your Board awarded a Construction Contract for \$8,374,300 to Gonzales Construction for the project.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The gas line work will be done concurrently with the ongoing construction project. In order to reduce adverse impacts to the public, construction is being phased to maintain a substantial level of service and access to the beach. In addition, temporary facilities for public use are being provided during construction.

CONCLUSION

Please return an adopted copy of this letter to the Chief Administrative Office (Capital Projects Division), Beaches and Harbors, and Public Works.

Respectfully submitted,

DONALD L. WOLFE
Director of Public Works

DAVID E. JANSSEN
Chief Administrative Officer

STAN WISNIEWSKI
Director of Beaches and Harbors

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cc: County Counsel

May 25, 2006

ENCLOSURE A

**WILL ROGERS STATE BEACH
GENERAL IMPROVEMENT PROJECT
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APPROVE REVISED PROJECT BUDGET
SPECS. 5364; C.P. 86471**

I. PROJECT SCHEDULE

Project Activity	Scheduled Completion Date
Award Design Contract	01/05/99*
Execute Design Contract	04/10/00*
Schematic Design	01/09/01*
Design Development	04/10/01*
Construction Documents	08/01/03*
Jurisdictional Approvals	09/30/04*
Construction Contract Award	11/08/05*
Construction Start	12/08/05*
Substantial Completion	03/02/07
Final Acceptance	05/01/07

*Actual completion date

II. PROJECT BUDGET SUMMARY

Budget Category	Board- Approved Budget	Impact of this Action	Revised Budget
Plans and Specifications			
Basic Design Services	\$ 445,360	\$ 0	\$ 445,360
Construction Administration	231,978	0	231,978
Consultant Services	193,367	0	193,367
Additional/Reimbursable Services	<u>27,605</u>	<u>0</u>	<u>27,605</u>
Total A/E Contract	\$ 898,310	\$ 0	\$ 898,310
Concession Building Interior Design	\$ 40,000	\$ 0	\$ 40,000
Jurisdictional Review and Plan Check	\$ 51,784	\$ 0	\$ 51,784
Construction			
Construction Contract*	\$ 8,380,400	\$ 0	\$ 8,380,400
Change Order Contingency	1,073,955	367,000	1,440,955
Utility Connection Fees	<u>65,000</u>	<u>0</u>	<u>65,000</u>
Total Construction	\$ 9,519,355	\$367,000	\$ 9,886,355
Equipment	\$ 43,000	\$ 0	\$ 43,000
Other Consultant Services	\$ 148,069	\$ 0	\$ 148,069
Miscellaneous Expenditures	\$ 15,500	\$ 0	\$ 15,500
County Services	\$ 932,982	\$ 0	\$ 932,982
TOTAL	\$11,649,000	\$367,000	\$12,016,000

*Includes \$6,100 Consultant Agreement for baseline construction schedule.

May 25, 2006

ENCLOSURE B

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**APPROPRIATION ADJUSTMENT
(See Enclosure)**